



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

May 13, 1998

Tina N. Handy
Hucik and Company
Suite 260
2941 Sunrise Boulevard
Rancho Cordova, California 95742

Re: Corrections Required to Surety Bonds and Reclamation Contracts, Interstate Brick Company, Fivemile Pass (M/045/006), Powell Mine (M/049/004), and Jim Gay Mine (M/049/005), Tooele and Utah Counties, Utah

Dear Ms. Handy:

On April 23, 1998, the Division received replacement surety bonds and Reclamation Contracts for the three Interstate Brick Company mines mentioned above. On that same date, these documents were returned to Pacific Coast Building Products as they were either not complete and/or contained errors; e.g. the surety company had not signed pages 2 and 4 of the surety bonds and the Power of Attorney was not attached. The Reclamation Contracts contained errors on page 5 which is the operator's and notary signature page. We had marked page 5 of the contracts with red ink where corrections needed to be made, and blank pages were sent so these pages could be re-done correctly.

On May 8th, the revised documents were received by this office. However, we regret to inform you that there are still errors which must be corrected as soon as possible. We checked with our legal counsel to see if the errors were significant and were informed they were not acceptable. As per our telephone conversation on May 12th, we are returning the documents to you via federal express for correction. Please re-do page 4 "Affidavit of Qualification" (with red tabs) of the surety bonds - the surety officer (Thomas R. Hucik) needs to sign this page as the surety officer, and the notary needs to sign in the correct place at the bottom of the page. Please have the operator re-do page 5 of the Reclamation Contracts on the new blank (yellow tabbed) pages.

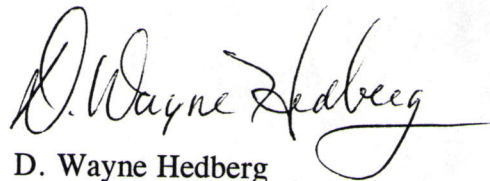
As the St. Paul sureties are due to expire in June, **we must receive these documents no later than May 18th**, or we will have no other choice than to start forfeiture proceedings on

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Interstate Bond
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the existing St. Paul Fire & Marine sureties. A large mining operation must maintain surety at all times until reclamation is complete and the Division formally releases the surety.

Thank you for your immediate attention to this matter. If you have any questions regarding this letter or how to complete these documents, please contact me at (801) 538-5286 or Joelle Burns at 538-5291.

Sincerely,

A handwritten signature in black ink, reading "D. Wayne Hedberg". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosures: (3) Original Reclamation Contracts
(3) Original Surety Bonds

cc: Nick Kalanges, Pacific Coast Building Products
Jerry North, Interstate Brick Co.

intersta.bnd